



Michigan Consumers for Healthcare

MCH is the largest statewide consumer health advocacy coalition in Michigan. Through more than 200 coalition partners, we are working to ensure that healthcare reform benefits consumers by providing high quality, accessible and affordable care through transparent processes. With this, I write on behalf of the coalition to oppose House Bill 4816. As consumer healthcare advocates, transparency in healthcare—especially regarding costs—is a paramount value to us. However, transparency only works with established methodologies and truthful representations of cost drivers. Unfortunately, it appears that HB 4816 is designed only to increase opposition to the Affordable Care Act (ACA). It would either place an unwarranted and unfair burden on health care facilities and practitioners to tease out which costs could possibly be related to healthcare reform, or provide a convenient screen that will help the industry obscure the true reasons for cost increases.

HB 4816 does not provide a standardized methodology on which any party can rely. Industry, government, and advocates will not know how supposedly ACA-related costs were calculated. This opens the door to even more confusion for Michigan consumers regarding costs, a subject already cloaked in mystery. Further, it increases the chance that the true causes of rising costs will remain unnamed and therefore less likely to be targeted for reform.

As written, HB 4816 will only cause further confusion and misinformation to spread through the consumer community. It will increase the administrative burden for the healthcare industry in Michigan at a time when it can scarcely afford to do so, or it will allow unscrupulous actors to use “magic math” to attribute rising consumer costs to the ACA. HB4816 also conveniently exempts any actions taken by the Michigan Legislature, Governor or Michigan Department of Finance and Insurance that negatively impacts consumer’s healthcare cost, including insurance premium increases, from being included in this reporting process. In all cases, consumers will ultimately pay the price in both money and unreliable information.

Finally, the bill does not require any analysis of the many ways the ACA will actually lower costs to the Consumer through tax credits and cost saving measures implement through the ACA. These include no copays or deductibles for preventative healthcare screenings, maximum out of pocket expenditures are capped to help prevent personal bankruptcies as well as limiting the amount of the premium insurance companies may retain for profit and administrative cost. It is well documented that healthcare cost growth has slowed down significantly from 2011 forward. To be truly impartial and factual, if you report cost increases attributed to the ACA, you have to report the savings as well.

The ACA was passed in 2010. It has been litigated in the highest court in the land. It has survived several election cycles, and it is finally being fully implemented in 2014. Michigan residents deserve legislation that helps identify the source of healthcare cost growth and establish policies for lowering them. We ask that you oppose HB 4816.

Sincerely,

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